

Message Text

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51

ACTION EB-11

INFO OCT-01 AF-10 EUR-25 ADP-00 AID-20 NSC-10 RSC-01

CIEP-02 TRSE-00 SS-15 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 L-03 H-03 PA-03 PRS-01 USIA-15 IO-13 ABF-01

RSR-01 /184 W

----- 129622

R 041041Z SEP 73

FM AMEMBASSY PRETORIA

TO SECSTATE WASHDC 8552

INFO AMEMBASSY BERN

AMEMBASSY LONDON

AMCONSUL CAPE TOWN

AMCONSUL DURBAN

AMCONSUL JOHANNESBURG

LIMITED OFFICIAL USE PRETORIA 3157

E.O. 11652: N/A

TAGS: EFIN, SF

SUBJ: SOUTH AFRICAN GOLD AND FOREIGN EXCHANGE RESERVES

REF: PRETORIA 3101

1. SOUTH AFRICAN RESERVE BANK HOLDINGS FOR THE WEEK ENDING
AUGUST 24 AS FOLLOWS (IN MILLION RAND):

GOLD	575.4 (UP 1.6)
FOREIGN EXCHANGE	638.8 (DOWN 0.5)
TOTAL	1,214.2 (UP 1.1)

BASED ESTIMATED AVERAGE WEEKLY PRODUCTION OF R15.5 MILLION,
INCREASE IN SARB GOLD HOLDINGS REPRESENTED APPROXIMATELY 10.3
PERCENT OF PRODUCTION.

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2. IN LONDON PRESS INTERVIEW EARLY SEPTEMBER, SA MINISTER OF FINANCE, DR. NICO DIEDERICH, REITERATED CALL FOR ABOLITION OF TWO-TIER GOLD SYSTEM AND SAID HE FAVORED SHARP INCREASE IN OFFICIAL GOLD PRICE. DIEDERICH SAID THAT HE HAD REASON BELIEVE THAT THE TWO-TIER SYSTEM WOULD BE TERMINATED SOON BUT ADDED THAT HE DID NOT EXPECT IMF TO FIND SOLUTION TO INTERNATIONAL MONETARY PROBLEMS DURING UPCOMING MEETING IN NAIROBI. ACCORDING TO PRESS REPORT, HE SAID THAT NEW SYSTEM WOULD HAVE TO BE BASED ON GOLD AND THAT HE WOULD LIKE TO SEE SDR'S LINKED TO HIGHER GOLD PRICE TO GIVE THEM STABILITY. DIEDERICH ALSO REPORTEDLY CRITICIZED AMERICAN POSITION ON GOLD AS BEING CONTRADICTORY AND ILLOGICAL.

3. DURING THE WEEK ENDING AUGUST 31, THE RAND RATE DEPRECIATED 0.1 PERCENT AGAINST STERLING, 0.8 PERCENT AGAINST THE FRENCH FRANC, AND 1.1 PERCENT AGAINST THE MARK.
SMITH

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Message Attributes

Automatic Decaptioning: X
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Concepts: FOREIGN EXCHANGE HOLDINGS, GOLD HOLDINGS
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Draft Date: 04 SEP 1973
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Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Original Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
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US Department of State
EO Systematic Review
30 JUN 2005

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Review Withdrawn Fields: n/a
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Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005